

EXHIBIT B

BY-LAWS

ARTICLE I

NAME AND LOCATION OF CORPORATION

The name of this Corporation is 527-29 East 12 ST
Housing Development Fund Corporation. Its principal office is
located at 527-29 East 12 Street, ^{New York} New York. 10009

ARTICLE II

PURPOSE

The purpose of this Corporation is to provide its share-
holders with a cooperative housing project consistent with the
provisions set forth in the Certificate of Incorporation.

ARTICLE III

MEETINGS OF SHAREHOLDERS

Section 1. Place of Meeting

All meetings of the shareholders of the Corporation shall be
held within the cooperative housing project or at such place
within the City of New York specified in the notice of the meeting
or in the waiver of notice thereof.

Section 2. Annual Meetings

A meeting of shareholders shall be held annually for the
election of directors and the transaction of other business on the
first day of _____ (month) of each year if it is not a
legal holiday, and if it is a legal holiday, then on the next
succeeding day not a legal holiday.

Section 3 Special Meetings

Special meetings of the shareholders of the Corporation may be called at any time by the President, or by order of the Board of Directors (Board) given at a meeting thereof or by 10% of the shareholders of the Corporation. The notice or waiver of notice of any special meeting shall state the time and place of such meetings and the purpose of the meeting. No business shall be transacted at a special meeting except as stated in the notice.

Section 4 Notice of Meetings

Written notice of the annual meeting or any regular meeting will state the place, date and hour, and will be given personally or by first class mail to each shareholder entitled to vote at such meeting not less than ten nor more than fifty days before the date of the meeting. Written notice of a special meeting will state the place, date and hour, and indicate that it is being issued by or at the direction of the person or persons calling the meeting, and state the purpose or purposes for which the meeting is called. Notice of a special meeting will be given, personally or by first class mail to each shareholder entitled to vote at such meeting not less than ten nor more than fifty days before the date of the meeting.

Section 5 Waiver of Notice

Written notice of any meeting does not have to be given to any shareholder who submits a signed waiver of notice, in person or by proxy. The attendance of any shareholder at a meeting, in

person or by proxy, without protesting the lack of notice prior to the conclusion of the meeting shall constitute a waiver of notice by that shareholder.

Section 6 Quorum

At all meetings of the shareholders of the Corporation, the presence, in person or by proxy, of a majority of all shareholders shall be necessary to constitute a quorum for transaction of business.

Section 7 Voting

At every meeting of the shareholders, each shareholder present, either in person or by proxy, shall have the right to cast only one vote on each question regardless of the number of shares held by the shareholder. In the event the shares allocated to one apartment are held by more than one person, such persons shall jointly or severally cast the one vote. If two or more persons holding one vote cannot agree on the casting of that vote, each person shall be entitled to cast the fraction of the vote which represents his or her interest. The vote of the majority of those present, in person or proxy, shall decide any question brought before the meeting, unless the question is one for which, any express provision of law, these By-Laws or the Certificate of Incorporation requires a different vote, in which case such express provision shall govern and control. Voting by shareholders shall be by voice vote unless any shareholder present at the meeting, in person, demands a vote by written ballot.

Section 8. Eligibility to Vote

All shareholders in good standing in the Corporation ten days before the date of any meeting are entitled to notice of the meeting and are eligible to vote at the meeting. No shareholder shall be eligible to vote or to be elected to the Board who is shown on the books or management accounts of the Corporation to be more than two months delinquent in payments due the Corporation under the Proprietary Lease.

Section 9. Adjourned Meetings

If there is not a quorum at any meeting, a majority of the shareholders present may adjourn the meeting to some future time and place. No notice of the time and place of the adjourned meeting need be given other than by posting in a prominent place in the housing project. At the adjourned meeting, the quorum required shall be the same.

Section 10. Proxies

A shareholder may appoint as his or her proxy any other persons to act in his or her behalf. In no case may a shareholder cast more than one vote by proxy in addition to his or her own vote. Any proxy must be filed with the Secretary before the appointed time of each meeting. Every proxy must be signed by the shareholder or his or her attorney-in-fact.

Section 11. Order of Business

The order of business at all regularly scheduled meetings of the shareholders shall be as follows:

- i) roll call
- ii) proof of notice of meeting or waiver of notice
- iii) reading of minutes of preceding meeting
- iv) reports of officers
- v) reports of committees
- vi) election of directors
- vii) unfinished business
- viii) new business

ARTICLE IV

DIRECTORS

Section 1. Number and Qualifications

The affairs of the Corporation shall be governed by a Board composed of _____ shareholders. Any shareholder who is at least 18 years of age shall be eligible to be elected as Director. The number of Directors may be increased or decreased by action of a majority of shareholders subject to the limitations that a decrease may not shorten the term of any incumbent director or reduce the number of Directors to less than three (3).

Section 2. Powers and Duties

The Board shall have all the powers and duties necessary for the Administration of the affairs of the Corporation and may do all such acts and things except those acts which, by law, these By-Laws or the Certificate of Incorporation are directed to be

exercised and done by the shareholders, or expressly prohibited. The Board may, in its discretion, authorize the conversion, subdivision or reallocation of space in the building for which there are currently issued one or more Proprietary Leases, where such space is suitable to the primary purposes of the Corporation as set forth in the Certificate of Incorporation, and may allocate or reallocate shares to such space and authorize the execution of one or more Proprietary Leases for such space.

Section 3. Election and Term of Office

Each Director shall be elected by vote of the shareholders of the Corporation at the meeting called for the elections thereof. Directors shall serve for a term of one year. Except as otherwise provided in these By-Laws, Directors shall be elected at the annual meeting of the Corporation. Each director shall continue in office until the close of the meeting at which a successor is elected, or until his or her earlier death, resignation or removal.

Section 4. Resignation

Any Director may resign at any time by delivering a written resignation to the office of the Corporation. Such resignation shall take effect at the time specified therein or, if not so specific, upon receipt thereof.

Section 5. Removal of Directors

At any regular or special meeting of the shareholders duly called, any Director may be removed with or without cause by the affirmative vote of the majority of the shareholders of record, and a successor may then be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the shareholders shall be given an opportunity to be heard at the meeting. The term of any Director who becomes more than two months delinquent in payment of his maintenance charges shall be automatically terminated, and a replacement shall be duly elected.

Section 6. Vacancies

Vacancies occurring in the office of any Director, for any reason, including the removal with or without cause, shall be filled by vote of the shareholders of the Corporation. A Director elected to fill a vacancy shall hold office until the next annual meeting at which the election of directors is the regular order of business and until his successor is elected and qualified.

Section 7. Regular Meetings

Regular meetings of the Board may be held at such time and consistent with the Certificate of Incorporation, as determined by a majority of the Directors, but at least four such meetings shall be held during each year. Notice of regular meetings of the Board shall be given to each Director, personally or by mail, telephone or telegraph, or in such other manner as may be provided by resolution of the Board, at least three (3) days prior to the day named for such meeting.

Section 8. Special Meetings

Special meetings of the Board may be called by the President on one day notice to each Director, given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary in the same way and with the same notice on the written request of at least ten per cent (10%) of all Directors.

Section 9. Waiver of Notice

Before or after any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him or her of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 10. Quorum

At all meetings of the Board a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board. If, at any meeting of the Board, there is less than a quorum present, the majority of those present may adjourn the meeting to some future time and place. At any such adjourned meeting, any business which

might have been transacted at the meeting as originally called may be transacted without any further notice.

Section 11. Annual Maintenance and Operating Expenses

A. The Board shall from time to time, except as may be otherwise restricted by the Proprietary Lease, determine the Maintenance and Operating expenses of the Corporation, and fix the term and manner of payment of maintenance charges (rent).

B. The Board shall have discretionary power to prescribe the manner of maintaining and operating the apartment house of the Corporation within the limits of annual operating budget and maintenance charges, subject to the approval of the shareholders. Any expenditures made by the Corporation's officers or its agents under the direction or with the approval of the Board shall be deemed necessarily and properly made for such purpose.

C. The Board may call a special membership meeting to propose that one or more members of the Corporation be given a credit toward payment of their maintenance charges. Such proposal will contain the terms and conditions for the granting of a credit. A determination to grant a rent credit, and the terms and conditions of the grant, will require the approval of at least $66\frac{2}{3}\%$ of all the members of the Corporation. Any vote to grant a rent credit will be binding on all members, regardless of how they vote on the issue.

A special membership meeting for this purpose may also be convened in the manner provided in Article III, Section 3 of the By-Laws.

Section 12. House Rules

The Board may, from time to time, adopt and amend such House Rules as it may deem necessary in respect to the apartment building of the Corporation for the health, safety, convenience and enjoyment of the shareholders. Copies of the House Rules and of any changes in them shall be furnished to each shareholder.

ARTICLE V

OFFICERS

Section 1. Designation

The principal officers of the Corporation shall be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be elected by the Board. Only shareholders who satisfy the qualifications for Directors as set forth in Article IV, Section 1, shall be eligible to be officers of the Corporation. The Board may appoint an assistant treasurer, an assistant secretary, and such other officers as in their judgment may be necessary. The offices of Treasurer and Secretary may be filled by the same person. The offices of President and Secretary may not be held by the same person.

Section 2. Election of Officers

The officers of the Corporation shall be elected by the Board at the first meeting of the Board following the annual meeting of the shareholders, and shall hold office for a one year term and until their successors have been elected and qualified.

Section 3. Removal of Officers

Upon an affirmative vote of a majority of the shareholders or the Board at a regular or special meeting duly called, any officer may be removed, either with or without cause, and a successor elected.

Section 4. President

The President shall be chief executive officer of the Corporation. He or she shall preside at all meetings of the shareholders and of the Board. He or she shall have all of the general powers and duties which are usually vested in the office of president of a corporation, including but not limited to the powers to appoint committees from among the shareholders from time to time as he or she may decide is appropriate to assist in the conduct of the affairs of the Corporation.

Section 5. Vice President

The Vice President shall take the place of the President and perform those duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board shall appoint some other shareholder of the Board to act on an interim basis. The Vice President shall perform some other duties as shall from time to time be determined by the Board.

Section 6. Secretary

The Secretary shall keep the minutes of all meetings of the Board and the minutes of all meetings of the shareholders of the Corporation; he or she shall give notice of all meetings of shareholders and directors; and have custody of the seal of the Corporation, the record of shares, proprietary leases, and of such other books and papers as the Board may direct; and in general, perform all the duties incident to the office of Secretary.

Section 7. Treasurer

The Treasurer shall have responsibility for corporate funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Corporation. He or she shall be responsible for the deposit of all moneys and other valuable effects in the name, and to the credit, of the Corporation in such places as may from time to time be designated by the Board and perform all other duties and acts incident to the office of Treasurer.

ARTICLE VI

PROPRIETARY LEASE

Section 1. Form of Lease

A. The Board shall adopt a form of Proprietary Lease to be used by the Corporation for the leasing of all apartments to shareholders and other space in the apartment building. Proprietary Leases shall be for such terms, with or without provisions

for renewals, and shall contain such restrictions, limitations and provisions in respect to the assignment thereof, the subletting of the premises demised thereby, and such other terms, provisions, conditions and covenants as the Board may determine, consistent with any provisions of the Certificate of Incorporation.

B. After a Proprietary Lease in the form adopted by the Board shall have been executed and delivered by the Corporation, all Proprietary Leases subsequently executed and delivered shall be in the same form, except with respect to the statement as to the name of the lessee and the date of the commencement of the term, and any change or alteration thereafter must be approved by the shareholders in accordance with the requirements of the Proprietary Lease and shall be made in and shall apply to all Proprietary Leases of the Corporation.

Section 2. Assignment

Proprietary Leases shall be assigned or transferred only in compliance with the terms, conditions or provisions of the Proprietary Lease and the Certificate of Incorporation. A duplicate original of each Proprietary Lease shall always be kept on file in the principal office of the Corporation.

The Board shall supervise the assignment of proprietary leases and the transfer of shares in such a manner as to implement the rules and restrictions established for assignments and transfers in the Certificate of Incorporation.

Section 3. Allocation of Shares

The Board shall allocate to each apartment in the apartment building of the Corporation to be leased to shareholders-tenants under proprietary leases, the number of shares of the corporation which must be owned by the proprietary lessee of such apartment.

Section 4. Fees on Assignment

The Board shall have authority before any assignment, sublet or surrender of a Proprietary Lease to fix a reasonable fee to cover actual expenses and attorney's fees of the Corporation, and a service fee of the Corporation in connection with each such proposed assignment, sublease or surrender.

Section 5. Lost Proprietary Leases

In the event any Proprietary Lease in force is lost, stolen, destroyed, or mutilated, the Board may authorize the issuance of a new Proprietary Lease in the same form and with the same terms, provisions, conditions and limitations. The Board may, in its discretion, before the issuance of any such new Proprietary Lease, require the owner, or the legal representative of such owner, to make an affidavit or affirmation setting forth such facts as to the loss, destruction, or mutilation as it deems necessary, and to give the Corporation a bond, in such reasonable sum as it directs, indemnifying the Corporation against any liability or loss it may sustain by reason of the issuance of such new Proprietary Lease.

ARTICLE VII

CAPITAL SHARES

Section 1. Issuance to Shareholders Only

No shares of the Corporation shall be issued or reissued except in connection with the execution by the purchaser and delivery by the Corporation of a Proprietary Lease of an apartment in the building owned by the Corporation. The ownership of shares shall entitle the holder thereof to occupy the apartment for the purposes specified in the Proprietary Lease to which the shares are allocated, subject to the provisions, covenants, and agreements contained in the such Proprietary Lease.

Section 2. Issuance of Certificates

Shares appurtenant to each Proprietary Lease shall be issued in the amount allocated by the Board to the apartment described in the Proprietary Lease and shall be represented by a single Certificate.

Section 3. Form and Share Register

Certificates of the shares of the Corporation shall be in the form adopted by the Board and shall be signed by the President or a Vice-President, and the Secretary or an Assistant Secretary or the Treasurer or an Assistant Treasurer, shall be sealed with the seal of the Corporation, and shall be numbered in the order in which issued. The signatures and seal may be facsimiles when and to the extent permitted by applicable statutory provisions. Certificates shall be issued in consecutive order, and there shall be recorded the name of the person holding the shares, the number

of shares, and the date of issue. Each Certificate exchanged or returned to the Corporation shall be canceled, the date of cancellation shall be indicated thereon, and such Certificate shall be retained in the corporate records.

Section 4. Transfers

Transfers of shares shall be made on the books of the Corporation by the holder in person or by power of attorney, and shall be duly executed and filed by the Secretary of the Corporation on the surrender of the Certificate, except that shares sold by the Corporation to satisfy any lien it holds on the shares may be transferred without the surrender of the Certificate representing the shares. The Board shall supervise the transfer of shares in such a manner as to implement the rules and restrictions established for transfers in the Certificate of Incorporation.

Section 5. Units of Issuance

Unless and until all Proprietary Leases executed by the Corporation have been terminated, the shares allocated to each Proprietary Lease shall not be sold or assigned except as an entirety to the Corporation or an assignee of the Proprietary Lease, after satisfying the requirements of the Proprietary Lease in respect to the assignment.

Section 6. Corporation's Lien

The Corporation shall at all times have a first lien on the shares owned by each shareholder for all sums due and to be due the Corporation from the shareholder, including, without limitation, obligations arising under the provisions of any proprietary lease issued by the Corporation and held at any time by the shareholder. Unless and until the shareholder, as lessee, defaults in the payment of any rent or of any other indebtedness or obligation, or defaults in the performance of any of the covenants or conditions contained in the proprietary lease, the shares shall continue to stand in the name of the shareholder on the books of the Corporation, and the shareholder shall be entitled to vote such shares as though the lien did not exist. On the enforcement of the lien by the Corporation, the Corporation shall have the right to issue to any purchaser of the shares, a Certificate of the shares so purchased, substantially similar to the Certificate issued to the defaulting shareholder and thereupon the Certificate for shares previously issued to the defaulting shareholder shall become void. The defaulting shareholder agrees to surrender the Certificate to the Corporation on demand, but the failure of the defaulting shareholder to surrender the Certificate shall not affect the validity of the Certificate issued in replacement of the original. The Corporation may refuse to consent to the transfer of shares of any shareholder indebted to the Corporation unless and until the indebtedness is paid.

Section 7. Lost Certificates

In the event any share Certificate is lost, stolen, destroyed, or mutilated, the Board may authorize the issuance of a new Certificate substantially similar and for the same number of shares in lieu thereof. The Board may, in its discretion, before the issuance of any new Certificate, require the owner of the lost, stolen, destroyed, or mutilated Certificate, or the legal representative of the owner, to make an affidavit or affirmation setting forth such facts as to the loss, destruction, or mutilation as it deems necessary, and to give the Corporation a bond in such reasonable amount as it may direct, indemnifying the Corporation against any liability or loss it may sustain by reason of the issuance of such new Certificate.

Section 8. Legend on Share Certificate

Certificates representing shares in the Corporation shall bear a legend reading as follows:

The rights of any holder of this Certificate are subject to the provisions of the Certificate of Incorporation and the By-Laws of this Corporation and to all the terms, covenants, conditions and provisions of a Proprietary Lease made between the person in whose name this Certificate is issued, as lessee, and this Corporation, as lessor, for an apartment in the premises, located at _____, which lease limits and restricts the title and rights of any transferee of this Certificate.

The shares represented by this Certificate are transfer-
able only in accordance with restrictions contained in the
Certificate of Incorporation, only as an entirety and only to
an approved assignee of the proprietary lease to which these
shares are allocated.

Copies of the Certificate of Incorporation, the By-Laws
and the proprietary lease are on file and available for in-
spection at the office of this Corporation at

Address

The Directors of this Corporation may refuse to consent to
the transfer of the shares represented by this Certificate
until any indebtedness of the shareholder to this Corporation
is paid. This Corporation, by the terms of the By-Laws and
proprietary lease, has a first lien on the shares represented
by this Certificate for all sums due and to become due under
the proprietary lease.

ARTICLE VIII

SEAL

The seal of the Corporation shall be circular in form and
have inscribed thereon the name of the Corporation, the year of
its organization and the words "Corporate Seal" and "New York."
The seal shall be kept by the secretary. If directed by the
Board, a duplicate of the seal may be kept and used by the
Treasurer or any assistant secretary or assistant treasurer.

ARTICLE IX

FISCAL MANAGEMENT

Section 1. Fiscal Year

The fiscal year of the Corporation shall be the calendar year unless otherwise determined by resolution of the Board.

Section 2. Books and Accounts

Books and accounts of the Corporation shall be kept under the direction of the Treasurer and in accordance with generally accepted accounting procedures.

Section 3. Auditing and Annual Reports

At the close of each fiscal year, the books and records of the Corporation shall be audited by a Certified Public Accountant or such other person approved by the Board or shareholders. Based on such reports, the Corporation will furnish the shareholders with an annual financial statement, including the income and disbursements of the Corporation. The Corporation will also give the shareholders as soon as practicable after the end of each calendar year, but in no event later than March 5th, a statement showing each member's pro rata share of the real estate taxes and mortgage interest paid by the Corporation during the preceding calendar year.

Section 4. Fidelity Bonds

The Board may require that all officers and employees of the Corporation handling or responsible for Corporate or trust funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Corporation.

Section 5. Place of Keeping Books

Unless otherwise expressly required by statute, the Corporation shall keep its books and records of account and minutes of the proceedings of its shareholders and Board at its principal office in the State of New York. Minutes may be in written form or in any other form capable of being converted into written form within a reasonable time.

Section 6. Examination of Books

The books, records, documents and accounts of the Corporation, shall be open to inspection by shareholders, at reasonable times, at the office of the Corporation.

Section 7. Deposit of Funds.

All funds of the Corporation not otherwise employed shall be deposited in such banks or trust companies or other places as the Board may determine from time to time.

Section 8. Safe Deposit Boxes

Any officer or officers as from time to time shall be designated by the Board, shall have access to any safe of the Corporation in the vault of any safe deposit company.

Section 9. Execution of Corporate Documents

With the prior authorization of the Board, all notes and contracts, including Proprietary Leases, shall be executed on behalf of the Corporation by either the President or the Vice President and by either the Secretary or Treasurer, and all checks shall be executed on behalf of the Corporation by either the President or the Vice President, and countersigned by either the Secretary or Treasurer, and all deeds shall be executed on behalf of the Corporation by either the President or Vice President. Such Board authorization may be general or confined to specific instances.

ARTICLE X

COMPENSATION OF AND TRANSACTIONS WITH
DIRECTORS AND OFFICERS

Section 1. Compensation

No compensation shall be paid to Directors or officers for their services as Directors or officers, respectively. No remuneration shall be paid to a Director or officer for services performed by them for the Corporation in any other capacity, unless a resolution authorizing such remuneration is unanimously adopted by the Board before the services are undertaken.

Section 2. Loans to Directors and Officers

The Corporation shall make no loans to any of its shareholders, Directors or officers, or to any other corporation, firm, association or other entity in which one or more of its shareholders, Directors or officers are Directors or officers or has substantial financial interest.

Section 3. Dividends to Members, Directors and Officers

The Corporation shall not pay dividends or distribute any part of its income or profits to any of its shareholders, Directors or officers.

Section 4. Contracts with, Directors and Officers

No Director or officer of the Corporation shall be interested, directly or indirectly, in any contract relating to the operations conducted by it, nor in any contract for furnishing services or supplies to it, unless:

- 1) such contract shall be authorized by the Board (without counting the vote of such interested Director) and such interest shall have been disclosed or known to the Board;
or
- 2) such contract shall be authorized by the shareholders and such interest shall have been disclosed or known to the shareholders.

If there was no disclosure, knowledge or vote as provided in (1) and (2) above, the Corporation may void the contract or

transaction unless the party or parties thereto establish affirmatively that the contract or transaction was fair and reasonable to the Corporation at the time it was authorized by the Board or the shareholders.

Interested directors may be counted in determining the presence of a quorum at a meeting of the Board or shareholders which authorizes such contract or transaction but in no event may they vote on the issue.

ARTICLE XI

Section 1. Indemnification

The Corporation shall provide indemnification of its Directors and officers to the fullest extent permitted by Section 721 through 726 of the Business Corporation Law except in relation to matters as to which such Director or officer is adjudged to have breached his duty to the Corporation.

ARTICLE XII

AMENDMENT

Section 1. Amendment and Repeal

Unless otherwise provided in the Certificate of Incorporation, By-Laws may be adopted, amended or repealed by a majority vote of the shareholders at any annual or special meeting, provided that the proposed amendment or the substance thereof shall have been inserted in the notice of meeting or that all the shareholders be present in person or by proxy.

Section 2. Construction

The decision of the Board shall be conclusive on all questions of construction of these By-Laws except as otherwise expressly provided in the Certificate of Incorporation or the Proprietary Lease.